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November 11, 2008

FEDEX

Ms. Stephanie Stumbo
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

NOV 12 2008

PUBLIC SERVICE
COMMISSION

Re: UNWIND
Kenergy Corp.
PSC Case No. 2008-00009

Dear Ms. Stumbo:

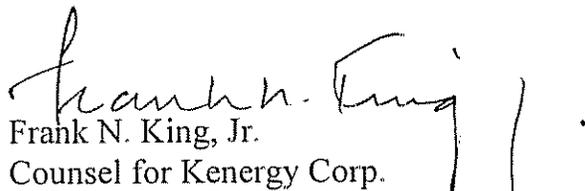
Enclosed for filing please find the original and 10 copies of Motion to File Amended Application with attachments. We tender herewith the original of the proposed Amended Application for filing in the record when the motion is granted.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By


Frank N. King, Jr.
Counsel for Kenergy Corp.

FNKJr/cds

Encls.

COPY/w/encls.: Service List
Mr. Sanford Novick
Mr. Steve Thompson
Mr. Jack Gaines

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PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

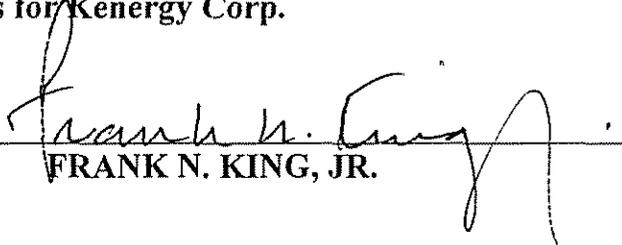
In the Matter of:)	
)	
The Application of Kenergy Corp.)	CASE NO. 2008-00009
for Approval of Retail Tariff Riders)	
and Revised Tariffs; Approval of)	
Smelter Agreements; and Approval of)	
Amendment to Wholesale Agreement)	

MOTION TO FILE AMENDED APPLICATION

KENERGY CORP. ("Kenergy"), by counsel, moves that it be permitted to file Amended Application herein. In support of this motion Kenergy states that the original Application needs to be amended to address matters that have occurred since the original filing herein and to confirm that the six (6) tariff riders originally proposed in this proceeding are still applicable and do not need modification. A copy of the proposed Amended Application is attached hereto.

WHEREFORE, Kenergy moves that it be permitted to file Amended Application and that it be afforded all proper relief.

DORSEY, KING, GRAY, NORMENT & HOPGOOD
318 Second Street
Henderson, Kentucky 42420
(270) 826-3965 Telephone
(270) 826-6672 Telefax
Attorneys for Kenergy Corp.

By 
FRANK N. KING, JR.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION OF KENTUCKY

In the Matter of:)
)
The Application of Kenergy Corp.) CASE NO. 2008-00009
for Approval of Retail Tariff Riders)
and Revised Tariffs; Approval of)
Smelter Agreements; and Approval of)
Amendment to Wholesale Agreement)

AMENDED APPLICATION

The Amended Application of Kenergy Corp. (“Kenergy”) respectfully shows:

Introduction

The purpose of this Amended Application is three-fold:

(1) To change from approximately five (5) years to one year the length of time that the Unwind Rider—Composite Factor (URCF) will be used to confirm that the net effect of the other five (5) riders is zero. The reason for this change is that Kenergy and the other two (2) member cooperatives of Big Rivers Electric Corporation have agreed with Big Rivers’ proposal to modify the manner in which the Economic Reserve will be used which will allow retail rates to

gradually increase after the first year following the closing of the Unwind in order to avoid a severe increase in rates later.

(2) To change the reference to the proposed wholesale smelter agreements between Kenergy and Big Rivers and the retail smelter agreements between Kenergy and its two (2) smelter customers, Alcan and Century. The reason for this change is that these agreements have been revised since the filing of the original application herein, and the revised agreements are now exhibits to the *Amended and Supplemental Application of joint applicants Big Rivers and E.ON US* in Case No. 2007-00455.

(3) To file the Supplemental Direct Testimony of Jack D. Gaines. This supplemental testimony confirms that the six (6) tariff riders originally proposed in this proceeding are still applicable and do not need modification, and addresses matters that have occurred since the original filing herein.

* * * * *

Kenergy hereby amends its Application in the following respects:

1. The statement in the Application that the sixth retail tariff rider will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years is changed to state that the projected period of time is expected to be one year. This statement appears in the Application in the last paragraph on the first page and in paragraph (d) on page 3.

2. Reference to the smelter agreements in paragraph (k) of the Application is changed to state that the smelter agreements in substantially complete form are included in Exhibit 81 to the Amended and Supplemental Application of Big Rivers and E.ON US.

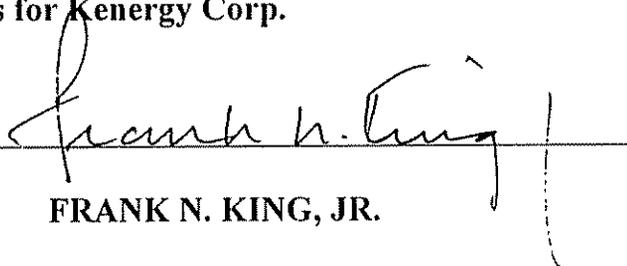
3. Attached as Exhibit 14 is the Supplemental Direct Testimony of Jack D. Gaines confirming that the six (6) tariff riders proposed in this proceeding are still applicable and do not need modification, and addressing matters that have occurred since the original filing herein.

4. In all other respects Kenergy adopts and reaffirms its Application filed herein.

WHEREFORE, Kenergy requests as set forth in its original Application.

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Henderson, Kentucky 42420
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(270) 826-6672 Telefax
Attorneys for Kenergy Corp.

By



FRANK N. KING, JR.

1 THE CHANGE PROPOSED BY BIG RIVERS TO ITS SCHEDULE
2 MRSM, OR FOR ANY REASON?

3 A. No changes to any of Kenergy's proposed tariff riders are needed.

4 7. Q. ARE THERE ANY CHANGES YOU WANT TO MAKE TO YOUR
5 FILED TESTIMONY BASED ON MORE CURRENT INFORMATION?

6 A. Yes, there are two changes. First, at page 3 of my filed testimony, I stated
7 that "the Wholesale Discount Adjustment ("WDAR") will continue in
8 effect unchanged." That is no longer true. Big Rivers discontinued its
9 Member Discount Adjustment Rider effective September 1, 2008.
10 Therefore, the WDAR has also been discontinued. Second, at page 7, line
11 7 through 10, I stated that "BREC and the BREC Members have carefully
12 structured the five wholesale riders and corresponding retail riders to have
13 zero effect on customers' bills so long as sufficient funds are available
14 from the BREC Economic Reserve currently estimated to be five years."
15 Based on Big Rivers' most recent financial model filed October 9, 2008 in
16 PSC Case No. 2007-00455 and PSC Case No. 2007-00460, the Economic
17 Reserve is no longer expected to be sufficient to fully offset the five
18 wholesale riders to allow a zero effect on customers' bills for five years.
19 This is in part due to the economics reflected in Big Rivers' most recent
20 financial model which have shortened the period from five years to
21 between three and four years. It is also a result of the revision proposed by
22 Big Rivers to Schedule MRSM which is designed to allow gradual
23 increases in the net wholesale bills to the BREC Members to extend the

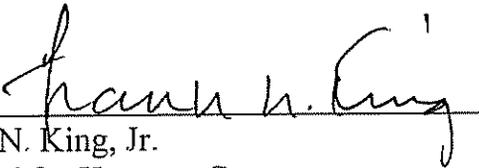
1 life of the Economic Reserve and to avoid there being a severe rate
2 increase upon its expiration. At this time, the zero effect on customer bills
3 is expected to last only one year.

4 8. Q. DOES THIS CONCLUDE YOUR SUPPLEMENTAL DIRECT
5 TESTIMONY AT THIS TIME?

6 A. Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on the persons named in the attached service list by mailing true and correct copies of same this the 11th day of November, 2008.



Frank N. King, Jr.
Counsel for Kenergy Corp.

Case No 2008-00009
SERVICE LIST

Hon. James M. Miller
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Corporation

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Power & Light

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Assistant Attorney General
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Utility & Rate Intervention Division
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* * * * *

Kenergy hereby amends its Application in the following respects:

1. The statement in the Application that the sixth retail tariff rider will be used to confirm that the net effect of the five (5) corresponding riders is zero for a projected period of time expected to be approximately five (5) years is changed to state that the projected period of time is expected to be one year. This statement appears in the Application in the last paragraph on the first page and in paragraph (d) on page 3.

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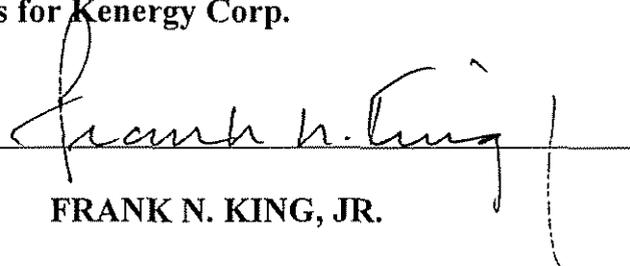
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